

**PENSION COMMISSION**  
**City Conference Room**  
**260 Constitution Plaza**  
**Friday, January 23, 2009**  
**8:00 a.m.**

<b>MINUTES</b>
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**PENSION ADMINISTRATION**

MEMBERS PRESENT:     Peter Stevens, Chairman; Frank Lord; Gene Goldman; Walter Remes, Employee Representative; Kathleen Palm Devine, Secretary

STAFF PRESENT:        Donna Parker, Plan Administrator; Denise Aguilera, General Counsel

OTHERS PRESENT:       Richard Pokorski, Department of Human Resources

**Chairman Peter Stevens called the meeting to order at 8:12 a.m.**

**I.       Minutes of the Meeting of December 19, 2008**

There were no changes or corrections to the minutes as presented.

**A motion was made, seconded and adopted to accept the minutes of the December 19, 2008 meeting, with Chairman Stevens abstaining because of his absence from the meeting in December, 2008.**

**II.     Survivor Benefits**

**A motion was made, seconded and unanimously adopted to approve the following survivor benefits:**

Beckford, Kenneth, survivor of the late Ozella Beckford, member of the Municipal Employees' Retirement Fund (MERF) who died October 23, 2008 (Survivor benefits under the MERF; Emp. #S036579/980150)

Effective Date:	November 1, 2008	
Annual Allowance:		\$ 3,133.56
Monthly Allowance:		261.13

## II. Survivor Benefits (continued)

Hammonds, Gary, survivor of the late Nancy Hammonds, member of the Municipal Employees' Retirement Fund (MERF) who died November 30, 2008 (Survivor benefits under the MERF; Emp. #S940006/980152)

Effective Date: December 1, 2008  
Annual Allowance: \$ 16,076.64  
Monthly Allowance: 1,339.72

Rowin, Isabel, survivor of the late Edwin Rowin, member of the Police Benefit Fund (PBF) who died December 18, 2008 (Survivor benefits under the PBF; Emp. #S717797/980151)

Effective Date: January 1, 2009  
Annual Allowance: \$ 22,103.28  
Monthly Allowance: 1,841.94

## III. Regular Retirements

**A motion was made, seconded and unanimously adopted to approve the following regular retirement benefits:**

			<u>AMOUNT</u>
<u>Boisvert, Karen</u>			
Emp. # 941414/990092			
Union: HPU			
Date of Birth: June 19, 1960			
	Years	Months	Days
Term of Service (including Sick Exchange):	24	0	0
Sick Exchange:	4	0	0
Grounds: Service			
Effective Date: January 13, 2009			
Average Salary: Highest 3 out of last 5 years			\$ 118,056.31
Pension Allowed: 63.00 %			74,375.52
Monthly Payment:			6,197.96

**III. Regular Retirements (continued)**

AMOUNT

Carter Jr., Frank

Emp. # 940310/990099

Union: Local 760

Date of Birth: July 2, 1958

	Years	Months	Days	
Term of Service (including Sick Exchange):	27	0	0	
Sick Exchange:	4	0	0	
Grounds:	Service			
Effective Date:	January 14, 2009			
Average Salary:	Final Rate of Pay			\$ 83,650.94
Pension Allowed:	74.40 %			62,236.32
Monthly Payment:				5,186.36

Comstock, Susan

Emp. # 941402/990096

Union: HMEA

Date of Birth: March 25, 1947

	Years	Months	Days	
Term of Service (including Sick Exchange):	21	0	0	
Sick Exchange:	4	0	0	
Grounds:	Service			
Effective Date:	January 27, 2009			
Average Salary:	Highest 2 out of last 5 years			\$ 68,176.18
Pension Allowed:	56.75 %			38,690.04
Monthly Payment:				3,224.17

Howell, Micheal

Emp. # 942703/990097

Union: HMEA

Date of Birth: September 29, 1946

	Years	Months	Days	
Term of Service (including Sick Exchange):	14	0	0	
Sick Exchange:	4	0	0	
Grounds:	Service			
Effective Date:	January 1, 2009			
Average Salary:	Highest 2 out of last 5 years			\$ 65,899.19
Pension Allowed:	37.50 %			24,712.20
Monthly Payment:				2,059.35

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**III. Regular Retirements (continued)**

AMOUNT

Jackson, Martha

Emp. # 941375/990093

Union: CHPEA

Date of Birth: October 1, 1950

	Years	Months	Days
Term of Service (including Sick Exchange):	20	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	January 23, 2009		
Average Salary:	Highest 2 out of last 5 years		\$ 56,046.91
Pension Allowed:	50.00 %		28,023.48
Monthly Payment:			2,335.29

Larson, Alvin

Emp. # 901159

Union: BOE Nonunion

Date of Birth: April 30, 1946

	Years	Months	Days
Term of Service (including Sick Exchange):	11	0	0
Sick Exchange:	0	0	0
Grounds:	Vested Service		
Termination Date:	September 30, 1996		
Effective Date:	May 1, 2006		
Average Salary:	Highest 5 out of last 10 years		\$ 46,687.74
Pension Allowed:	22.00 %		10,271.28
Monthly Payment:			855.94

Pagliarello, Salvatore

Emp. # 581003/990095

Union: Local 760

Date of Birth: August 1, 1957

	Years	Months	Days
Term of Service (including Sick Exchange):	31	4	24
Sick Exchange:	4	4	24
Grounds:	Service		
Effective Date:	January 13, 2009		
Average Salary:	Final Rate of Pay		\$ 81,195.50
Pension Allowed:	85.00 %		69,016.20
Monthly Payment:			5,751.35

**III. Regular Retirements (continued)**

AMOUNT

Rivera, Hector

Emp. # 910928/990090

Union: Local 82

Date of Birth: October 6, 1934

	Years	Months	Days
Term of Service (including Sick Exchange):	10	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	September 2, 2008		
Average Salary:	Highest 3 out of last 5 years		\$ 42,568.38
Pension Allowed:	25.00 %		10,642.08
Monthly Payment:			886.84

Saavedra, Milton

Emp. # 941420/990091

Union: HPU

Date of Birth: October 9, 1961

	Years	Months	Days
Term of Service (including Sick Exchange):	24	0	0
Sick Exchange:	4	0	0
Grounds:	Service		
Effective Date:	December 28, 2008		
Average Salary:	Highest 3 out of last 5 years		\$ 112,860.06
Pension Allowed:	63.00 %		71,101.80
Monthly Payment:			5,925.15

Sierra, Maureen

Emp. # 588249/990094

Union: HMEA

Date of Birth: January 28, 1964

	Years	Months	Days
Term of Service (including Sick Exchange):	22	0	0
Sick Exchange:	0	0	0
Grounds:	Service		
Effective Date:	January 23, 2009		
Average Salary:	Highest 2 out of last 5 years		\$ 68,570.33
Pension Allowed:	60.50 %		41,485.08
Monthly Payment:			3,457.09

**III. Regular Retirements (continued)**

AMOUNT

Stellmacher, Anita

Emp. # 906481/990098`

Union: Local 2221

Date of Birth: May 4, 1949

	Years	Months	Days
Term of Service (including Sick Exchange):	15	0	0
Sick Exchange:	0	0	0
Grounds:	Vested Early		
Effective Date:	January 15, 2009		
Termination Date:	June 30, 2008		
Average Salary:	Highest 3 out of last 5 years		\$ 25,522.81
Pension Allowed:			
Unreduced Pension:	37.50 %		\$ 9,571.08
Early Reduction Factor:	4.00 % for each full year prior to age 60		0.00 %
Reduced Pension:			\$ 9,571.08
Monthly Payment:			797.59

Turansky, George

Emp. # 737992/990088

Union: Local 78

Date of Birth: May 9, 1951

	Years	Months	Days
Term of Service (including Sick Exchange):	20	0	0
Sick Exchange:	0	0	0
Grounds:	Vested Early		
Effective Date:	January 1, 2009		
Termination Date:	October 29, 1995		
Average Salary:	Highest 5 out of last 10 years		\$ 62,971.23
Pension Allowed:			
Unreduced Pension:	40.00 %		\$ 25,188.49
Early Reduction Factor:	4.00 % for each full year prior to age 60		8.00 %
Reduced Pension:			\$ 23,173.41
Monthly Payment:			1,931.12

**IV. Terminated Vested – Requests to Vest Benefits**

**A motion was made, seconded and unanimously adopted to approve the following requests to vest benefits:**

	<u>AMOUNT</u>
<u>Lazu, Edward</u>	
Emp. # 942642	
Union: NonUnion	
Date of Birth: March 28, 1963	
Date of Termination: December 24, 2008	
Term of Service: 12 years	
Grounds: Vested Service	
Normal Retirement Date: March 29, 2023 (Age 60)	
Average Salary: Highest 2 out of the last 5 years	\$ 96,400.17
Pension Allowed: 30.00%	28,920.00
Monthly Payment:	2,410.00

**V. Pension Benefit Adjustments**

- A.** Chairman Stevens introduced the item. The Plan Administrator, Donna Parker, explained that Susan Tager's termination form was revised to reflect two years of sick exchange instead of one year of sick exchange. Ms. Parker stated that the sick exchange adjustment increased Ms. Tager's pension, which was effective November 26, 2008, and resulted in a retroactive payment of \$165.52.

**A motion was made, seconded and unanimously adopted to approve the following pension benefit adjustments:**

Tager, Susan  
Emp. #990087

From:	\$ 3,493.78
To:	3,635.66

**B. Section 415(m) Excess Benefit Adjustments**

Chairman Stevens introduced the item. The Plan Administrator, Donna Parker, explained that the following pension benefit adjustments were due to the annual change in the Section 415(m) limits, as adjusted by the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA). She further explained that these limits were subject to change each calendar year and were applicable to MERF benefits as of each January 1<sup>st</sup>; noting further that the Section 415(m) excess benefit is paid from the City's General Fund. In conclusion, Ms. Parker noted that Stephen Kinsella would no longer have a 415(m) excess benefit and his entire benefit would be paid from the MERF, although he could begin to receive a 415(m) excess benefit again if there was a cost of living adjustment during 2009.

**A motion was made, seconded and unanimously adopted to approve the following pension benefit adjustments:**

<u>Emp#</u>	<u>Name</u>		<u>From</u>	<u>To</u>
980062	Collins, Michael	MERF	\$ 4,366.50	\$ 4,597.34
940348		415 Excess	<u>946.60</u>	<u>715.76</u>
		Total	\$ 5,313.10	\$ 5,313.10
980052	Kee Borges, Sandra	MERF	\$ 4,742.95	\$ 4,995.28
389218		415 Excess	<u>1,571.58</u>	<u>1,319.25</u>
		Total	\$ 6,314.53	\$ 6,314.53
980073	Kinsella, Stephen	MERF	\$ 5,209.09	\$ 5,222.05
941961		415 Excess	<u>12.96</u>	<u>0.00</u>
		Total	\$ 5,222.05	\$ 5,222.05
980063	Trujillo, Alexander	MERF	\$ 3,869.99	\$ 4,073.41
940538		415 Excess	<u>433.39</u>	<u>229.97</u>
		Total	\$ 4,303.38	\$ 4,303.38
980060	Vasquenza, Michael	MERF	\$ 6,207.21	\$ 6,526.04
745670		415 Excess	<u>1,708.84</u>	<u>1,390.01</u>
		Total	\$ 7,916.05	\$ 7,916.05

**VI. Separations from Pension Payroll**



**The following separations from Pension Payroll were placed on file:**

<u>EMPLOYEE NUMBER</u>	<u>NAME</u>	<u>DATE OF BIRTH</u>	<u>DATE OF DEATH</u>	<u>PENSION AMOUNT</u>	<u>PENSION PLAN</u>
079308	Burns, John R.	05/26/1927	12/08/2008	\$ 3,023.93	MERF
125903	Collins, Sarah	11/03/1933	12/28/2008	1,175.51	MERF
244643	Fenimore, Alfred	07/29/1937	12/22/2008	1,814.82	MERF
249068	Fiorey, Nancy	06/14/1928	10/14/2008	1,232.45	MERF
372560	Johnson, Calvin	09/28/1927	10/10/2008	806.54	MERF
027553	McKenney, Freddie	12/12/1943	11/27/2008	1,405.14	MERF
595152	Pietrycha, Leona	01/30/1929	09/30/2008	201.83	MERF
717797	Rowin, Edwin	03/29/1922	12/18/2008	1,841.94	PBF
680354	Sinisgalli, Maria	05/06/1968	12/12/2008	1,296.46	MERF

The pension for the following individuals have been suspended due to the fact that at least two pension payments remain uncashed or were returned as undeliverable and the individuals have not responded to inquiries made by the Pension Unit as to their address and/or status.

<u>EMPLOYEE NUMBER</u>	<u>NAME</u>	<u>DATE OF REMOVAL</u>	<u>PENSION AMOUNT</u>	<u>PENSION PLAN</u>
688584	Davis, Joseph	01/31/2009	\$ 6,462.80	MERF
232149	Elkey, Donald	01/31/2009	1,600.00	MERF
406857	Kieselbach, Patricia	01/31/2009	426.97	MERF
499642	McGarrah, Bertha	01/31/2009	223.43	MERF

Prior to the meeting Joseph Davis and Patricia Kieselbach notified the Pension Unit of their addresses and their January checks were reinstated.

**VII. Request for Refunds of Pension Contributions**

**A motion was made, seconded and unanimously adopted to approve the following refunds of pension contributions:**

<u>NAME</u>	<u>AMOUNT</u>
Allukian, Kristin	\$ 3,736.04
Arrington, Jenny	1,181.61
Cordova, Rosa	7,073.27
Cowell, Eileen	608.49
Delgado, Jennie	3,655.58
Donaldson, Trisha	4,824.68
Fontiveros-Arroyo, Fanny	3,584.30
Gembala, Kristina	12,089.27
Halvey, Anne	693.10
James, Katina	8,143.15
Malignaggi, Enzo *	404.12
Martinez, Adrian	1,076.84
McCollum, Shatoyia	1,690.68
McGriff, Alphonso**	2,800.54
Nemeth, Janos	9,367.69
Parsons, Ebbie	5,206.85
Rankins, Velma	6,179.16
Rivera, Ruth	6,990.52
Sailor, Amy	15,787.77
Soto, Nancy	8,551.59

None of the above members is vested, or, if vested, has been informed of, and has waived, his or her rights to a vested benefit in lieu of a contribution refund.

The amounts shown above do not include interest accrued after 2002.

\* Beneficiary of deceased active MERF member Delores Malignaggi

\*\* Beneficiary of deceased active MERF member [Ernest McGriff](#)

## VIII. Service Purchases

### Routine Service Purchases

Chairman Stevens introduced the item. The Plan Administrator stated that the following individuals had requested the purchase of additional pension service under the provisions of the Municipal Code of the City of Hartford, Article I, Division I, Section 2A-8.

**The requests were accepted and placed on file.**

<u>NAME</u>	<u>TYPE</u>	<u>AMOUNT</u>			<u>PURCHASE</u>
		<u>Years</u>	<u>Months</u>	<u>Days</u>	<u>PRICE</u>
Santiago, Ernesto	Prior City	8	10	19	\$ 9,658.14
Thames, Darryl	Prior City	3	0	19	16,602.44

### Other Service Purchases

Chairman Stevens introduced the item. The Plan Administrator explained that there was one non-routine purchase request before the Commission.

Purchase of Prior City Service: Ms. Parker explained that the following individual was included in the settlement agreement adopted in June 2008 between the Hartford Municipal Employees' Association (HMEA) and the City regarding the transfer of jobs to a new consolidated information services department (MHIS). Under the agreement, Ms. Parker continued, Orlando Riggs was awarded back pay and pension credit provided he paid the pension contributions on his back pay, but prior to receiving his back pay Mr. Riggs was laid off and as a result he elected only to take his back pay and not to pay the employee contributions. The Plan Administrator concluded by stating that subsequently Mr. Riggs' position was reinstated and Mr. Riggs requested to pay the employee contributions and to receive his pension credit.

**A motion was made, seconded and unanimously adopted to approve the purchase of additional service for the following individual:**

<u>NAME</u>	<u>SECTION</u>	<u>SERVICE</u>			<u>PURCHASE PRICE</u>
		<u>Years</u>	<u>Months</u>	<u>Days</u>	
Riggs, Orlando	Prior City Service	1	7	12	\$ 18,580.99

## IX. Qualified Domestic Relations Orders

Chairman Stevens introduced the item. The Plan Administrator reported that the Pension Unit had received [one](#) properly executed Qualified Domestic Relations Orders (QDRO) [for the MERF](#). The Plan Administrator recommended that the Commission approve the Order as presented.

**A motion was made, seconded and unanimously adopted to approve the following QDRO, with assignments as indicated, subject to like reductions in the contribution and pension accounts of the plan member.**

**MERF**

Employee Name: [John Bazzano](#)  
Alternate Payee Name: [Rosalia Zocco](#)

Entered into Court Records: [December 5, 2008](#)  
Benefit Calculation Date: [April 23, 2008](#)

		<u>Percentage</u>	<u>Dollar Amount</u>
Benefit Assigned to Alternate Payee:	Monthly:	<a href="#">40.00 %</a>	<a href="#">\$ 569.69</a>
Pension Contributions Assigned:	Pre-Tax:	<a href="#">40.00 %</a>	<a href="#">9,584.42</a>
	Post-Tax:	<a href="#">40.00 %</a>	<a href="#">674.48</a>
	Interest:	<a href="#">40.00 %</a>	<a href="#">764.77</a>

Alternate Payee Retirement Date: [September 12, 2018](#)

**X. [Consideration of Report on Section 457 Deferred Compensation Quarterly Status](#)**

Chairman Stevens introduced the item. Ms. Parker noted that she was providing the summary pages of the quarterly report provided by The Hartford (Hartford Life) for the Section 457 Deferred Compensation Plan for the quarter ending on December 31, 2008, as requested by the Commissioners. The Commission asked if participants were transferring their deferred compensation accounts into the Guaranteed Account. The Secretary, Kathleen Devine, explained that The Hartford would attend the March Commission meeting to discuss the 2008 results of the Section 457 Plan and would address this question.

**The report was accepted and placed on file.**

**XI. Consideration of Report on Automatic Pension Adjustments for FRF and PBF**

Chairman Stevens introduced the item. The Plan Administrator summarized her report, stating that the retirees under two old closed plans (FRF and PBF) would receive automatic increases by contract, due to wage adjustments for active firefighters and police officers of equivalent rank, with the January 31, 2009 pension payment. Ms. Parker stated that a copy of the adjustments would be included with the minutes as Attachment A.

**The report was accepted and placed on file.**

**XII. Recommendation on Pension Commission Personnel Actions**

Chairman Stevens introduced the item. The Secretary asked to table this item to the end of the Investment portion of the meeting.

**A motion was made, seconded and unanimously adopted to enter into executive session after the Investment portion of the meeting to discuss Pension Commission Personnel Actions, after which a motion was made, seconded and unanimously adopted to return to open public session.**

**The Commission received the report for advice and placed it on file, voting unanimously to maintain the Pension Commission's contractual employees' compensation at current levels.**

**XIII. Recommendation on Promissory Note Interest Rates**

Chairman Stevens introduced the item. The Plan Administrator, Donna Parker, stated that the purpose of her report was to respond to the Commission's request for a recommendation regarding the interest rate basis currently used to calculate the finance charge on promissory notes issued by the Pension Administration Unit and to report on the practices followed by other entities regarding service purchases.

Ms. Parker reported that the Connecticut Municipal Employees' Retirement System (CMERS), along with several Connecticut municipalities, did not issue promissory notes and all service purchases had to be paid in a lump sum. She said that The Hartford issues loans on the Section 457 plan and charges interest at the prime rate plus 1%, and that prior to the current interest rate basis, the City of Hartford had used the prime rate as the interest rate basis for promissory notes.

**XIII. Recommendation on Promissory Note Interest Rates (continued)**

In conclusion, the Plan Administrator recommended that the promissory note interest rate basis be changed to the prime rate in effect on the first business day of the month that the note is effective, with a minimum annual rate of 3% and a maximum annual rate of 6 ½%, compounded annually. Ms. Parker added that the interest rate change would make it possible for the Pension Administration Unit to offer payroll deduction as a payment option, since the interest rate would be fixed for the entire period.

A brief discussion followed about the appropriate interest rate and the advantages and disadvantages of payroll deduction instead of promissory notes. The Commission asked the Plan Administrator to prepare a payroll deduction recommendation for the next meeting.

**A motion was made, seconded and unanimously adopted to accept the recommendation to change the promissory note interest rate basis to the prime rate with a minimum annual rate of 3% and a maximum annual rate of 6 ½%, compounded annually and to table the payroll deduction recommendation for the February meeting.**

#### **XIV. Other Business**

Chairman Stevens introduced the item. There was no Other Business to come before the Commission at this meeting.

There being no further business, Chairman Stevens adjourned the Pension Administration portion of the meeting at [8:45 a.m.](#)

**Attest:**

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**Kathleen Palm Devine, Secretary**